



Signed and Filed: January 15, 2020

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

FURTHER MEMORANDUM REGARDING CONFIRMATION ISSUES

On November 15, 2019, the court issued a Memorandum Regarding Confirmation Issues (Dkt. No. 4760) ("November 15, 2019 Memorandum"). The court identified various issues that needed to be resolved in the coming months. A confirmation status conference was set on that memorandum for December 10, 2019. Since then, many significant events have occurred that need not be repeated here. For good reasons, therefore, the

1 confirmation status conference has been continued several times,
2 and is now set for January 21, 2020.

3 The January 14, 2020 hearing on the Make-Whole issue was
4 also continued to January 21 based on representations of counsel
5 that the parties were discussing a possible resolution. If
6 further time is needed, the court is willing to continue some or
7 all of the matters scheduled for January 21 to January 29, 2020.
8 If that occurs, Debtors' counsel needs to notify the Courtroom
9 Deputy and file on the public docket, no later than January 17,
10 2020, a notice of continuance to January 29.

11 It should not go unnoticed that January 29, 2020 will mark
12 exactly one year since these chapter 11 cases were filed. That
13 date also reminds us that AB 1054's June 30 deadline will then
14 only be five months and a couple of days away. For that reason
15 alone, the court is unwilling to continue the confirmation
16 status conference beyond January 29, 2020, even if the parties
17 and their counsel need further time to deal with the possible
18 resolution of the Make-Whole issue or other contested matters.

19 In the November 15, 2019 Memorandum, the court directed
20 principal counsel to discuss the contours of an anticipated
21 disclosure statement. (See November 15, 2019 Memorandum, at
22 3:17-28) The time has come to transition those discussions into
23 action and scheduling items. Therefore, at the continued
24 confirmation status conference, (whether on January 21 or
25 January 29) the court will discuss with counsel a timetable for
26 the following:

- 1 • Updating Debtors' and Shareholder Proponents' December 12, 2019 Joint Chapter 11 Plan of Reorganization (Dkt. 5101);
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- 3 • Updating the Joint Chapter 11 Plan of Reorganization of Official Committee of Tort Claimants and Ad Hoc Committee of Senior Unsecured Noteholders (Dkt. No. 4257) if the Ad Hoc Committee of Senior Unsecured Noteholders intends to continue to go forward with its alternate plan without the TCC as co-sponsor;
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- 5 • A date for a hearing on approval of Debtors' disclosure statement or a joint disclosure statement;
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- 7 • Specific information to be incorporated into any disclosure statement outlining the details of the two trusts to be implemented under a confirmed plan. More specifically, fire survivors and state and federal agencies (See Dkt. Nos. 5087 and 5104) and subrogation claimants who will be beneficiaries of those trusts need to understand adequately how claims will be liquidated and paid, consistent with AB 1054 and the court's orders approving the two RSAs; and
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- 9 • The anticipated date for commencement of a confirmation hearing.
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****END OF MEMORANDUM****